

**County of San Diego, Health and Human Services Agency (HHS) (HSA)
CalFresh Program Guide**

Substantial Lottery or Gambling Winnings

Number

Page

63-247

1 of 2

Revision Date:

04/01/2022

Background:

Substantial lottery or gambling winnings is considered a mandatory mid-period report.

Purpose:

This section details the reporting requirements and eligibility rules for substantial lottery or gambling winnings. Information about substantial lottery or gambling winnings is being removed from 63-283 and moved to 63-247. No changes are being made due to state legislation. Clarification is being added regarding the determination of substantial lottery or gambling winnings when customers report multiple winnings.

Policy:

Substantial lottery or gambling winnings are defined as a cash prize won in a single game, purchase of a ticket, or similar bet. Substantial lottery or gambling winnings that are equal to or greater than the elderly or disabled (E/D) resource limit will make a household (HH) ineligible to CalFresh. Substantial lottery or gambling winnings must be reported within 10 calendar days of receipt of the winnings. Substantial lottery or gambling winnings that are received prior to initial application do not need to be reported. Refer to the CalFresh Assistance Standards Chart in Eligibility Essentials for the current E/D resource limit.

1. **Determination of Substantial Lottery or Gambling Winnings:**

The dollar amount of the substantial lottery or gambling winnings is determined before taxes or any other withholding. Substantial lottery or gambling winnings should be evaluated individually and not combined or added together. If the HH member shared the winnings with a non-HH member, the portion allocated to the HH is the amount that will be used to determine if the amount exceeds the E/D resource limit. This requirement applies even if the HH immediately spends or loses the winnings, and the remaining winnings are below the E/D resource limit. Below is an example of substantial lottery or gambling winnings determination:

Scenario:

Customer reports the following winnings to the county. Customer reports that all winnings have been spent.

Month	Dollar Amount of Winnings
August 15	\$1500
September 4	\$1000
September 10	\$ 900
September 24	\$1400
October 5	\$ 600

Outcome:

County of San Diego, Health and Human Services Agency (HHS) (HSA)
CalFresh Program Guide

Substantial Lottery or Gambling Winnings

Number

Page

63-247

2 of 2

Each winning will be evaluated individually and not combined. The customer did not exceed the E/D resource limit of \$3750 in any one winning. No action is required, case remains active.

2. Required Action:

When substantial lottery or gambling winnings are reported verify the winnings. If the winnings are equal to or greater than the E/D resource limit, discontinue the entire HH with timely notice. A verbal declaration of winnings is acceptable, and no verification will be necessary. Staff must document the declaration in the case record. A HH discontinued for the receipt of substantial lottery or gambling winnings will remain ineligible until the HH's income and resources do not exceed the resource and income limits.

3. Reapplication After Discontinuance:

HH's discontinued due to receipt of substantial lottery or gambling winnings may reapply for CalFresh at any time. HH reapplying will not be considered Categorically Eligible (CE) or Modified-Categorically Eligible (MCE). The CalFresh gross income, net income and resource test must be applied. This requirement only applies the first time a HH is certified following the discontinuance for substantial lottery or gambling winnings, regardless of the length of time between the discontinuance and reapplication.

At the time of reapplication, if the HH composition has changed, this will be considered a distinctly different HH than the one that was previously discontinued due to substantial lottery or gambling winnings. Staff will process this as a regular CalFresh application and not apply the substantial lottery or gambling winning policies. This includes when the primary and sole applicant is the recipient of the substantial lottery or gambling winnings.

Note: Staff must use BENDS 59282 when a case must be discontinued or when a HH reapplies after being discontinued due to substantial lottery or gambling winnings until the system is updated.

4. Informing HH of Reporting Requirement:

Staff must verbally inform new and existing HH's of the substantial lottery and gambling winnings reporting requirement during the initial certification and recertification interview. The information on this new reporting requirement is part of the recorded rights and responsibilities. Confirmation that the HH was verbally informed of the substantial lottery or gambling winnings reporting requirement must be documented in case record.

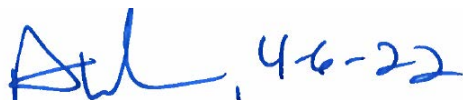
References:

ACL 20-132; Policy Interpretation 21-60 (12/27/2021)

Sunset Date:

This policy will be reviewed for continuance by 04/30/2025.

Approval for Release:



Rick Wanne, Director
Self-Sufficiency Services